

JOHN LIM & ASSOCIATES

(A.F. No: B393)



MEMBER FIRM OF
MALAYSIAN INSTITUTE OF ACCOUNTANTS

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25 July 2007

The Board of Directors
UDS Capital Berhad
PTD 6001, Jalan Perindustrian 5
Kawasan Perindustrian Bukit Bakri
Batu 8, 84200 Muar
Johor

Dear Sirs

UDS Capital Berhad
Limited review report on interim financial report for the quarter ended 31 May 2007

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of UDS Capital Berhad as of May 31, 2007 and the related condensed consolidated statements of income, changes in equity and cash flows for the three-month period then ended, and the related notes thereon (collectively referred to as "interim financial report"). The Board of Directors is responsible for the preparation and fair presentation of this interim financial information in accordance with the provisions of the Companies Act, 1965, applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and Bursa Malaysia Securities Berhad ("Bursa Securities") announcement requirements. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

Our scope of limited review includes only the following:

- Review the presentation and disclosure of the interim financial report;
- Review the computation and basis of the Group consolidation; and
- Review the computation and basis of taxation and deferred taxation.

We conducted our limited review in accordance with International Standard on Review engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity."('ISA2410'). A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing or a review conducted in accordance with the scope of review stipulated in ISA 2410. Consequently, we are not able to obtain assurance that we would become aware of all significant matters that might be identified in an audit or a review under ISA 2410. Accordingly, we do not express an audit opinion.

The limited reviews of the following subsidiary companies are performed by another firm of chartered accountants:

1. Sin Wee Seng Industries Sdn. Bhd.
2. Starlight Industry Sdn. Bhd.
3. Oriena Industry Sdn. Bhd.
4. Poh Keong Industries Sdn. Bhd.

Our limited review, insofar as it relates to the amounts of the above subsidiary companies are based on the reports of the other firm of chartered accountants.

Conclusion

Based on our review, except for the limitation of scope stated above, nothing has come to our attention that causes us to believe that the accompanying interim financial report does not give a true and fair view in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

Yours faithfully
John Lim & Associates

